

JONES DAY

250 VESEY STREET • NEW YORK, NEW YORK 10281.1047

TELEPHONE: +1.212.326.3939 • JONESDAY.COM

DIRECT NUMBER: +1.212.326.3811

AHEALEY@JONESDAY.COM

MEMO ENDORSED

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January 9, 2024

VIA ECF

The Honorable Judge Edgardo Ramos United States District Court
Southern District of New York 40 Foley Square
New York, NY 10007

Re: *Adventist Health System Sunbelt Healthcare Corp. v. MultiPlan, Inc.*, No. 1:23- CV-07031-ER-KP

Dear Judge Ramos:

We write pursuant to Rule 1.A of Your Honor's Individual Practices to request leave to file the amicus brief attached as Exhibit A on behalf of the American Hospital Association. We conferred with the parties about this matter and Plaintiff Adventist Health System Sunbelt Healthcare Corporation consents to this request. Defendant MultiPlan, Inc. takes no position but reserves its rights to respond to this filing.

The American Hospital Association (AHA) is a not-for-profit organization that represents nearly 5,000 hospitals, healthcare systems, and other healthcare organizations. The AHA educates its members on healthcare issues and advocates on their behalf, so that their perspectives are considered in formulating health policy. One way in which the AHA promotes its members' interests is by participating as amicus curiae in cases with important and far-ranging consequences.

The AHA's member-hospitals have a significant interest in the above-referenced case. Hospitals derive most of their revenues from commercial reimbursements. And because Medicare and Medicaid do not cover the full cost of providing care, many hospitals cannot survive without competitive reimbursements from commercial payors.

The AHA submits this amicus brief to provide the Court with helpful context about the importance of this matter for U.S. hospitals and health systems. Multiplan frames this lawsuit as an attempt by a large health system to preserve its own purportedly "supracompetitive prices." MultiPlan Br. at 34. Indeed, in the very first sentence of its brief, Multiplan claims that Adventist is "one of the largest hospital systems in the United States." *Id.* at 1. Multiplan then dismisses concerns about the "financial plight of rural hospitals" as mere "speculation." *Id.* at 33 n.7.

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In seeking to marginalize rural and community hospitals and focus only on one purportedly “large” system, Multiplan would have this Court ignore the economic reality of the healthcare industry. As the attached brief explains, America’s hospitals and health systems are in a state of financial crisis. Only about half of all hospitals earn enough revenue to cover their costs of providing care. And hundreds of rural hospitals are on the brink of collapse. These hospitals need competitive reimbursements to remain viable and preserve access to care in their communities. Accordingly, the AHA respectfully requests leave to file this amicus brief to ensure that the Court is aware of this litigation’s potential significance to many struggling hospitals and health systems throughout the country.

Respectfully submitted,


/s/ Aaron M. Healey

Aaron M. Healey

Enclosures

Cc: All counsel of record (via ECF)

The application is X granted
_____ denied

_____
Edgardo Ramos, U.S.D.JDated: January 10, 2024

New York, New York